

Proposed Changes to the Model City Tax Code

1 **Section IV. Model City Tax Code Appendix VII, Article VII - Access to Care Tax, is added**
2 **as follows, with an effective date of August 6, 2013.**

3
4 ARTICLE VII. ACCESS TO CARE PROGRAM

5
6 SEC. 19-1200. LEGISLATIVE INTENT.

7
8 THIS ORDINANCE IS ADOPTED FOR THE PURPOSE OF PROMOTING THE
9 HEALTH, SAFETY AND GENERAL WELFARE OF THE RESIDENTS OF THE CITY OF

10 BY:

11
12 (A) ESTABLISHING A FUNDING SOURCE FOR THE NON-FEDERAL
13 SHARE OF ARIZONA HEALTH CARE COST CONTAINMENT SYSTEM
14 (AHCCCS) PAYMENTS TO ACUTE CARE HOSPITALS WITHIN THE
15 CITY OF _____ THAT PROVIDE SIGNIFICANT AMOUNTS OF
16 UNCOMPENSATED CARE TO UNINSURED AND LOW INCOME
17 PATIENTS;

18
19 (B) ESTABLISHING A FUNDING SOURCE FOR THE NON-FEDERAL
20 SHARE OF THE COST OF AN EXPANSION OF COVERAGE
21 THROUGH THE AHCCCS PROGRAM;

22
23 (C) PROMOTING ACCESS TO HEALTH CARE FOR RESIDENTS OF THE
24 CITY OF _____, INCLUDING LOW-INCOME, UNINSURED AND
25 OTHERWISE VULNERABLE POPULATIONS, BY ENSURING THE

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1 FINANCIAL STABILITY AND VIABILITY OF ACUTE CARE HOSPITAL
2 SYSTEMS IN THE CITY; AND

3
4 (D) PROMOTING ECONOMIC DEVELOPMENT AND PROTECTING AND
5 EXPANDING JOBS IN THE HEALTH SECTOR AND RELATED FIELDS
6 WITHIN THE CITY OF _____.

7
8 SEC. 19-1201. DEFINITIONS.

9
10 FOR THE PURPOSES OF THIS ARTICLE ONLY, THE FOLLOWING
11 DEFINITIONS SHALL APPLY:

12
13 “ACCESS TO CARE FUND” MEANS THE FUND ESTABLISHED PURSUANT
14 TO SECTION 19-1205.

15
16 “ACCESS TO CARE FUND REMAINDER (“ATC FUND REMAINDER”)” MEANS
17 THE AMOUNT REMAINING IN THE ACCESS TO CARE FUND AFTER
18 RESERVATION OF THE ADMINISTRATIVE COSTS PURSUANT TO SECTION
19 19-1225(A).

20
21 “ACCESS TO CARE TAX (“ATC TAX”)” MEANS THE TAX IMPOSED
22 PURSUANT TO SECTION 19-1210.

23
24 “ACCESS TO CARE PROGRAM” MEANS THE PROGRAM CONSISTING OF
25 THE ATC TAX, THE UNCOMPENSATED CARE PAYMENTS, AND RELATED

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1 EXPANDED AHCCCS COVERAGE, TO BE ESTABLISHED BY AHCCCS AND
2 APPROVED BY CMS.

3
4 “ADMINISTRATIVE COSTS” MEANS THE COSTS TO THE TAX COLLECTOR
5 OF COLLECTING, ADMINISTERING, ENFORCING AND TRANSFERRING THE
6 ATC TAX, WHICH MAY INCLUDE: TIME, MATERIALS, OVERHEAD, AND
7 LITIGATION COSTS.

8
9 “AHCCCS” MEANS THE ARIZONA HEALTH CARE COST CONTAINMENT
10 SYSTEM, AN AGENCY OF THE STATE, WHICH ADMINISTERS THE
11 MEDICAID PROGRAM IN ARIZONA UNDER TITLE XIX OF THE SOCIAL
12 SECURITY ACT IN ARIZONA.

13
14 “CFR” MEANS THE CODE OF FEDERAL REGULATIONS.

15
16 “CMS” MEANS THE CENTERS FOR MEDICARE AND MEDICAID SERVICES,
17 A FEDERAL AGENCY WITHIN THE U.S. DEPARTMENT OF HEALTH AND
18 HUMAN SERVICES.

19
20 “COVERAGE AMOUNT” MEANS AN AMOUNT SPECIFIED BY AHCCCS TO
21 PAY FOR THE NON-FEDERAL SHARE OF THE EXPANDED COVERAGE
22 THAT IS PART OF THE ACCESS TO CARE PROGRAM.

23
24 “DELINQUENCY DATE” MEANS THE DAY AFTER THE DUE DATE.

25

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1 “DUE DATE” MEANS THAT DAY THAT IS 30 DAYS PRIOR TO THE END OF
2 EACH QUARTER DURING THE UC PAYMENT PERIOD, UNLESS
3 OTHERWISE SPECIFIED PURSUANT TO SECTION 19-1215(E).

4
5 “EFFECTIVE DATE” MEANS 30 DAYS AFTER THE DATE OF PASSAGE OF
6 THIS ORDINANCE.

7
8 “GROSS PATIENT REVENUE” MEANS GROSS CHARGES FOR INPATIENT
9 AND OUTPATIENT HOSPITAL SERVICES CALCULATED PURSUANT TO
10 SECTION 19-1210.

11
12 “MEDICARE COST REPORT” MEANS THE HOSPITAL COST REPORT
13 REQUIRED FOR HOSPITALS PARTICIPATING IN THE MEDICARE
14 PROGRAM UNDER TITLE XVIII OF THE SSA, USING CMS FORM 2552-96.

15
16 “NON-FEDERAL SHARE” MEANS THE PORTION OF AHCCCS
17 EXPENDITURES THAT ARE NOT REIMBURSED BY THE FEDERAL
18 GOVERNMENT PURSUANT TO SECTION 1903 OF THE SSA AND ARE
19 REQUIRED TO BE PAID FOR FROM STATE OR LOCAL SOURCES,
20 PURSUANT TO SECTION 1902(A)(2) OF THE SSA.

21
22 “PARTICIPATING HOSPITAL” MEANS A HEALTH CARE INSTITUTION
23 LOCATED IN THE CITY OF _____ THAT IS LICENSED AS A
24 HOSPITAL BY THE ARIZONA DEPARTMENT OF HEALTH SERVICES UNDER
25 ARIZONA REVISED STATUTES TITLE 36, CHAPTER 4, ARTICLE 2.

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“QUARTER” MEANS A THREE MONTH PERIOD FROM JANUARY TO MARCH, APRIL TO JUNE, JULY TO SEPTEMBER, OR OCTOBER TO DECEMBER.

“SAFETY NET CARE POOL” MEANS THE FUNDING POOL ESTABLISHED PURSUANT TO THE AHCCCS DEMONSTRATION PROJECT AUTHORIZED UNDER SECTION 1115 OF THE SSA.

“SHORTFALL AMOUNT” MEANS THE AMOUNT OF ANY ATC TAX PAYMENT THAT A PARTICIPATING HOSPITAL OWES BUT DOES NOT PAY BY THE DUE DATE.

“SSA” MEANS THE SOCIAL SECURITY ACT.

“TRANSFER DATE” MEANS THE DATE THAT IS FIFTEEN (15) DAYS PRIOR TO THE END OF EACH QUARTER DURING THE UC PAYMENT PERIOD, UNLESS AHCCCS SPECIFIES A DIFFERENT DATE, FOR TRANSFER OF FUNDS FROM THE CITY TO AHCCCS PURSUANT TO SECTION 19-1225.

“TRANSFER FUNDS” MEANS THE FUNDS TO BE TRANSFERRED TO AHCCCS AS SPECIFIED IN SECTION 19-1225(B).

“UNCOMPENSATED CARE PAYMENTS” MEANS PAYMENTS, TO BE ADMINISTERED BY AHCCCS AND APPROVED BY CMS, TO PARTICIPATING

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1 HOSPITALS TO REIMBURSE SOME OR ALL OF THEIR UNCOMPENSATED
2 CARE COSTS OF TREATING AHCCCS AND UNINSURED PATIENTS.

3
4 “UC PAYMENT TRANSFER AMOUNT” MEANS THE ATC FUND REMAINDER
5 MINUS THE COVERAGE AMOUNT, TO BE USED TO PAY FOR THE NON-
6 FEDERAL SHARE OF UNCOMPENSATED CARE PAYMENTS TO
7 PARTICIPATING HOSPITALS FOR THE CURRENT QUARTER, EXCEPT
8 THAT THE UC PAYMENT TRANSFER AMOUNT SHALL NOT EXCEED THE
9 AMOUNT SPECIFIED BY AHCCCS AS REQUIRED TO FUND
10 UNCOMPENSATED CARE PAYMENTS FOR THE QUARTER.

11
12 “UC PAYMENT PERIOD” MEANS THE PERIOD BEGINNING ON THE FIRST
13 DAY OF THE PERIOD FOR WHICH CMS APPROVES UNCOMPENSATED
14 CARE PAYMENTS FOR PARTICIPATING HOSPITALS AND ENDING ON THE
15 LAST DAY OF THE PERIOD FOR WHICH AHCCCS IS AUTHORIZED UNDER
16 STATE LAW AND BY CMS TO MAKE UNCOMPENSATED CARE PAYMENTS
17 TO PARTICIPATING HOSPITALS.

18
19 SEC. 19-1205. CREATION OF ACCESS TO CARE FUND.

20
21 (A) AN ACCESS TO CARE FUND IS CREATED AS A RESTRICTED
22 SUBFUND WITHIN THE CITY. THE FUND SHALL BE USED TO
23 ACCOUNT FOR THE ACCESS TO CARE PROGRAM MONIES AND
24 SHALL CONTAIN ONLY THE FOLLOWING:

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1 (1) PROCEEDS FROM ATC TAX PAYMENTS;

2
3 (2) PENALTIES AND INTEREST FOR LATE ATC TAX PAYMENTS;

4 AND

5
6 (3) MONIES REPAID TO THE CITY BY AHCCCS IN CONNECTION
7 WITH THE ATC TAX OR THE UNCOMPENSATED CARE
8 PAYMENTS.

9
10 (B) NO MONIES IN THE ACCESS TO CARE FUND SHALL TRANSFER TO,
11 REVERT TO, OR LAPSE INTO ANY OTHER FUND, INCLUDING THE
12 CITY GENERAL FUND, EXCEPT THE AMOUNTS FOR
13 ADMINISTRATIVE COSTS AS PROVIDED FOR IN SECTION 19-
14 1220(A) AND AMOUNTS FROM PENALTIES AND INTEREST AS
15 PROVIDED FOR IN SECTION 19-1220(E).

16
17 SEC. 19-1210. IMPOSITION OF ACCESS TO CARE TAX AND RATE.

18
19 (A) AS OF THE EFFECTIVE DATE, THERE IS HEREBY LEVIED AND
20 IMPOSED AN ATC TAX OF NOT MORE THAN 2.0 PERCENT (2.0%) OF
21 THE GROSS PATIENT REVENUE ON PARTICIPATING HOSPITALS.
22 IF THE MAXIMUM ALLOWABLE TAX RATE UNDER FEDERAL LAW IS
23 REDUCED SUCH THAT THE ATC TAX EXCEEDS SUCH MAXIMUM
24 RATE, THE RATE SHALL BE AUTOMATICALLY REDUCED TO THE
25 MAXIMUM ALLOWABLE RATE.

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(B) GROSS PATIENT REVENUE IS CALCULATED FROM MEDICARE COST REPORT AS THE SUM OF: WORKSHEET G-2 COLUMN 1, LINES 1, 2, 3, 4, 16, 18, AND 19 AND WORKSHEET G-2 COLUMN 2, LINES 18 AND 19.

(C) ALL DATA REQUIRED TO CALCULATE THE ATC TAX AND ITS APPLICATION SHALL BE DERIVED FROM THE HOSPITAL MEDICARE COST REPORTS FOR THE HOSPITAL FISCAL YEAR ENDING BETWEEN JANUARY 1, 2011 AND DECEMBER 31, 2011.

SEC. 19-1215. COLLECTION OF TAX.

(A) EXCEPT AS SPECIFIED IN (E) AND SECTION 19-1235, THE ATC TAX SHALL BE DUE AND PAYABLE ON THE DUE DATE ON A QUARTERLY BASIS WITH A TAX PAYMENT FOR EACH QUARTER WITHIN THE UC PAYMENT PERIOD. EACH TAX PAYMENT SHALL EQUAL ONE-FOURTH OF THE TOTAL AMOUNT CALCULATED PURSUANT TO SECTION 19-1210(A), EXCEPT THAT THE TAX PAYMENT AMOUNT SHALL BE PRORATED IF THE UC PAYMENT PERIOD BEGINS ON A DAY OTHER THAN THE FIRST DAY OF A QUARTER OR ENDS ON A DAY OTHER THAN THE LAST DAY OF A QUARTER, BASED ON THE NUMBER OF DAYS IN SUCH QUARTER THAT ARE WITHIN THE UC PAYMENT PERIOD.

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1 (B) IF THE UC PAYMENT PERIOD IS LONGER THAN ONE YEAR,
2 ADDITIONAL QUARTERLY TAX PAYMENTS SHALL BE DUE,
3 CALCULATED IN THE MANNER SPECIFIED IN (A).

4
5 (C) EACH PARTICIPATING HOSPITAL SHALL FILE AN ATC TAX FORM
6 WITH THE CITY IN SUCH FORM AND ON SUCH DATE AS THE TAX
7 COLLECTOR SHALL SPECIFY, PROVIDING THE DATA REQUIRED
8 TO DETERMINE THE AMOUNT OF THE ATC TAX PAYMENT DUE.
9 THE TAX COLLECTOR MAY REQUIRE THE TAX FORM TO BE
10 SUBMITTED PRIOR TO THE DATE ON WHICH ALL CONDITIONS
11 SPECIFIED IN SECTION 19-1235 HAVE OCCURRED.

12
13 (D) IF ANY PARTICIPATING HOSPITAL FAILS TO REMIT THE FULL
14 AMOUNT OF THE TAX PAYMENT OWED BY THE DUE DATE, THE
15 TAX COLLECTOR SHALL PROMPTLY NOTIFY THE PARTICIPATING
16 HOSPITAL OF THE SHORTFALL AMOUNT. THE PARTICIPATING
17 HOSPITAL SHALL REMIT TO THE TAX COLLECTOR FORTHWITH
18 THE SHORTFALL AMOUNT ALONG WITH PENALTIES AND
19 INTEREST DUE PURSUANT TO SECTION 19-1250.

20
21 (E) THE TAX COLLECTOR SHALL ADJUST THE DUE DATE(S) FOR ANY
22 ATC TAX PAYMENTS DUE WITHIN THE UC PAYMENT PERIOD
23 PRIOR TO CMS APPROVAL AS NECESSARY TO IMPLEMENT THE
24 ACCESS TO CARE PROGRAM AS SOON AS PRACTICABLE AFTER
25 CMS APPROVAL DESCRIBED IN SECTION 19-1235 AND AS AGREED

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1 TO WITH AHCCCS. SUCH ADJUSTMENT MAY INCLUDE
2 COLLECTING AMOUNTS ACCRUED FOR QUARTERS PRIOR TO CMS
3 APPROVAL IN MORE THAN ONE INSTALLMENT, ALLOWING FOR
4 AHCCCS TO MAKE UNCOMPENSATED CARE PAYMENTS TO THE
5 HOSPITALS PRIOR TO COLLECTING SUBSEQUENT INSTALLMENTS.
6 THE TAX COLLECTOR SHALL PROVIDE WRITTEN NOTICE TO THE
7 PARTICIPATING HOSPITALS INDICATING THE DUE DATE(S) FOR
8 THE APPLICABLE TAX PAYMENTS AT LEAST 5 DAYS PRIOR TO
9 SUCH DUE DATE(S). TO THE EXTENT PERMITTED BY THE
10 TRANSFER SCHEDULE AGREED TO WITH AHCCCS, THE TAX
11 COLLECTOR SHALL NOT REQUIRE PAYMENT FOR MORE THAN
12 TWO (2) QUARTERS WITHIN ONE TWO WEEK PERIOD.

13
14 (F) THE TAX COLLECTOR SHALL ACCOUNT FOR ALL ATC TAX
15 PAYMENTS AND ALL SHORTFALL AMOUNTS REMITTED PURSUANT
16 TO SECTION (D) IN THE ACCESS TO CARE FUND.

17
18 SEC. 19-1220. USE OF ACCESS TO CARE TAX FUND.

19
20 MONIES IN THE ACCESS TO CARE FUND MAY BE UTILIZED FOR THE
21 FOLLOWING PURPOSES:

22
23 (A) UP TO \$ _____ OF THE COLLECTED TAX PAYMENTS EACH
24 QUARTER MAY BE USED BY THE CITY TO COVER THE
25 ADMINISTRATIVE COSTS. SUCH AMOUNT MAY BE INCREASED BY

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1 THE CITY UPON WRITTEN NOTICE TO THE PARTICIPATING
2 HOSPITALS 30 DAYS PRIOR TO THE NEXT TRANSFER DATE IF THE
3 CITY INCURS UNANTICIPATED COSTS INCLUDING COSTS FOR
4 ADMINISTRATION, LITIGATION OR BANKRUPTCY PROCEEDINGS
5 RELATED TO THE TAX.

6
7 (B) TO TRANSFER FUNDS TO AHCCCS PURSUANT TO SECTION 19-
8 1225 AND AN INTERGOVERNMENTAL AGREEMENT FOR THE
9 PURPOSE OF PROVIDING LOCAL FUNDING FOR THE NON-
10 FEDERAL SHARE OF:

11
12 (1) UNCOMPENSATED CARE PAYMENTS TO PARTICIPATING
13 HOSPITALS; AND

14
15 (2) EXPANDED HEALTH CARE COVERAGE TO INDIVIDUALS
16 THROUGH AHCCCS.

17
18 (C) TO REFUND TO PARTICIPATING HOSPITALS ANY ATC TAX
19 OVERPAYMENT OR AMOUNTS OTHERWISE COLLECTED IN
20 ERROR;

21
22 (D) TO REFUND TO PARTICIPATING HOSPITALS PURSUANT TO
23 SECTION 19-1245 ANY AMOUNTS REPAID BY AHCCCS TO THE TAX
24 COLLECTOR AFTER RECOUPMENT OF UNCOMPENSATED CARE
25 PAYMENTS FUNDED BY TAX PROCEEDS TRANSFERRED BY THE

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1 CITY, INCLUDING TAX PROCEEDS TRANSFERRED AS COVERAGE
2 AMOUNTS PURSUANT TO SECTION 19-1225(B) BUT NOT USED
3 FOR SUCH PURPOSES; AND

4
5 (E) WITH RESPECT ONLY TO PENALTIES AND INTEREST COLLECTED
6 PURSUANT TO SECTION 19-1250, TO TRANSFER TO THE CITY'S
7 GENERAL FUND TO BE USED FOR ANY CITY-AUTHORIZED
8 PURPOSE OR ANY BUDGETED PURPOSE CONSISTENT WITH THE
9 GENERAL FUND RULES.

10
11 SEC. 19-1225. TRANSFER TO AHCCCS.

12
13 (A) FROM THE ATC TAX PAYMENTS COLLECTED EACH QUARTER, THE
14 TAX COLLECTOR SHALL RETAIN THE ADMINISTRATIVE COSTS.

15
16 (B) FROM THE ATC FUND REMAINDER, THE TAX COLLECTOR SHALL
17 TRANSFER TO AHCCCS EACH QUARTER ON THE TRANSFER DATE
18 THE TRANSFER FUNDS, EXCEPT AS PROVIDED UNDER
19 SUBSECTIONS (C) OR (D). THE TRANSFER FUNDS ARE EQUAL TO
20 THE SUM OF THE COVERAGE AMOUNT PLUS THE UC PAYMENT
21 TRANSFER AMOUNT.

22
23 (1) THE COVERAGE AMOUNT MEANS AN AMOUNT SPECIFIED BY
24 AHCCCS TO PAY FOR THE NON-FEDERAL SHARE OF THE
25 EXPANDED COMVERAGE THAT IS PART OF THE ACCESS TO CARE
26 PROGRAM; AND

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(2) THE UC PAYMENT TRANSFER AMOUNT IS DEFINED UNDER SECTION 19-1201.

(C) UNDER NO CIRCUMSTANCES SHALL THE TAX COLLECTOR BE REQUIRED TO TRANSFER A TOTAL AMOUNT OF TRANSFER FUNDS GREATER THAN THE ATC FUND REMAINDER. IF THE TRANSFER FUNDS REQUIRED UNDER SUBSECTION (B) EXCEED THE FUND REMAINDER, THE UC PAYMENT TRANSFER AMOUNT SHALL BE REDUCED SUCH THAT THE AMOUNT OF THE TRANSFER FUNDS EQUALS THE ATC FUND REMAINDER.

(D) IN THE EVENT THAT THE ATC FUND REMAINDER IS GREATER THAN THE TRANSFER FUNDS SUCH THAT THERE ARE AMOUNTS REMAINING IN THE FUND AFTER A QUARTERLY TRANSFER, THE TAX COLLECTOR SHALL RETURN TO THE PARTICIPATING HOSPITALS WITHIN 15 DAYS AFTER THE TRANSFER DATE THEIR PRO RATA SHARE OF THE ATC FUND REMAINDER BASED ON THE ATC QUARTERLY TAX AMOUNTS PAID UNDER SECTION 19-1215(A). THE PRO-RATA SHARE SHALL BE BASED ON THE PRIOR QUARTER. ADDITIONALLY, IN THE EVENT A PARTICIPATING HOSPITAL OWES THE TAX COLLECTOR MONIES FOR THE PREVIOUS OR CURRENT QUARTER, THE TAX COLLECTOR SHALL OFFSET THAT PARTICIPATING HOSPITAL'S PRO-RATA SHARE BY THE AMOUNT OWED.

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(E) IN THE EVENT THAT A PARTICIPATING HOSPITAL OWES A SHORTFALL AMOUNT PURSUANT TO SECTION 19-1215(D), THE TAX COLLECTOR SHALL NOT TRANSFER TO AHCCCS ANY SUCH SHORTFALL AMOUNTS PAID UNTIL 95 BUSINESS DAYS AFTER RECEIPT OF THE SHORTFALL AMOUNT FROM THE PARTICIPATING HOSPITAL. THE TAX COLLECTOR SHALL TRANSFER SHORTFALL AMOUNTS TO AHCCCS ON THE NEXT TRANSFER DATE AFTER THE 95 DAY PERIOD ALONG WITH THE TRANSFER FUNDS FOR THE THEN-APPLICABLE QUARTER. IN THE CASE OF SHORTFALL AMOUNTS FROM THE LAST ATC TAX PAYMENT OWED BEFORE THE ATC TAX TERMINATES, THE TAX COLLECTOR SHALL TRANSFER THE SHORTFALL AMOUNTS WITHIN 15 DAYS AFTER THE 95 DAY PERIOD.

SEC. 19-1230. NO IMPACT ON PATIENTS OR PAYERS.

PARTICIPATING HOSPITALS SHALL NOT PASS THE COST OF THE TAX ON TO PATIENTS OR THIRD PARTY PAYERS LIABLE TO PAY FOR THE CARE ON A PATIENT'S BEHALF.

SEC. 19-1235. REQUIREMENTS FOR IMPLEMENTATION.

THE TAX SHALL NOT BE DUE OR PAYABLE UNLESS AND UNTIL ALL OF THE FOLLOWING OCCURS:

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(A) CMS APPROVES THE UNCOMPENSATED CARE PAYMENTS AND THE ATC TAX; AND

(B) AHCCCS AGREES TO RETURN TO THE CITY THE NON-FEDERAL SHARE OF ANY UNCOMPENSATED CARE PAYMENTS RECOUPED BY AHCCCS FROM PARTICIPATING HOSPITALS, UNLESS SUCH RECOUPED PAYMENTS ARE REQUIRED FOR COVERAGE AMOUNTS, AND FUNDS TRANSFERRED FOR COVERAGE AS SPECIFIED UNDER THE ORDINANCE BUT UNUSED FOR THIS PURPOSE;

(C) THE CITY ENTERS INTO AN INTERGOVERNMENTAL AGREEMENT WITH AHCCCS.

(D) THE MUNICIPAL TAX CODE COMMISSION APPROVES THE ATC TAX.

SEC. 19-1240. TERMINATION.

(A) THE ATC TAX SHALL TERMINATE ON THE EARLIEST OF:

(1) THE DATE ON WHICH AHCCCS' AUTHORIZATION TO MAKE UNCOMPENSATED CARE PAYMENTS TO PARTICIPATING HOSPITALS ENDS; OR

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1 (2) THE DATE ON WHICH AHCCCS' AUTHORIZATION TO
2 ACCEPT CITY FUNDS FOR THE NON-FEDERAL SHARE OF
3 AHCCCS PAYMENTS EXPIRES; OR

4
5 (3) DECEMBER 31, 2013.

6
7 (B) THE ATC TAX SHALL TERMINATE PRIOR TO THE DATE IN
8 SUBSECTION (A) UPON ANY OF THE FOLLOWING CONDITIONS:

9
10 (1) THE ATC TAX IS DETERMINED NOT TO BE A PERMISSIBLE
11 SOURCE OF NON-FEDERAL SHARE FUNDING; OR

12
13 (2) THE ATC TAX IS OTHERWISE DETERMINED TO BE
14 UNLAWFUL UNDER CITY, STATE OR FEDERAL LAW; OR

15
16 (3) A STATEWIDE HOSPITAL TAX OR OTHER ASSESSMENT IS
17 ADOPTED AND TAKES EFFECT.

18
19 SEC. 19-1245. IMPACT OF TERMINATION OR RECOUPMENT

20
21 (A) IN THE EVENT THAT AHCCCS REFUNDS ALL OR PART OF ANY
22 TRANSFERS MADE TO IT PURSUANT TO SECTION 19-1225(B), THE
23 CITY SHALL RETURN TO THE PARTICIPATING HOSPITALS, WITHIN
24 15 DAYS OF RETURN OF THE FUNDS FROM AHCCCS , THEIR PRO

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1 RATA SHARE OF THE RETURNED FUNDS BASED ON ATC TAX
2 AMOUNTS PAID UNDER SECTION 19-1210.

3
4 (B) IN EVENT THAT THE ATC TAX TERMINATES UNDER SECTION 19-
5 1240, THE TAX COLLECTOR SHALL REFUND TO EACH
6 PARTICIPATING HOSPITAL WITHIN 15 DAYS OF TERMINATION THE
7 PRO RATA PORTION OF ANY MONIES REMAINING IN THE ATC
8 FUND THAT HAVE NOT BEEN SPENT OR IRREVOCABLY
9 ALLOCATED FOR THEIR DESIGNATED PURPOSES.

10
11 SEC. 19-1250. INTEREST AND PENALTIES.

12
13 (A) IN THE EVENT A PARTICIPATING HOSPITAL OWES A SHORTFALL
14 AMOUNT TO THE TAX COLLECTOR PURSUANT TO SECTION 5-10-
15 715(D), THE PARTICIPATING HOSPITAL MUST PAY INTEREST ON
16 SUCH SHORTFALL AMOUNT FROM THE DELINQUENCY DATE UNTIL
17 IT IS REMITTED TO THE TAX COLLECTOR. THE INTEREST RATE
18 SHALL BE DETERMINED PURSUANT TO SECTION 19-540.

19
20 (B) IN ADDITION TO INTEREST BEING ASSESSED UNDER SUBSECTION
21 (A), ANY PARTICIPATING HOSPITAL THAT FAILS TO PAY ANY OF
22 THE ATC TAX IMPOSED BY THIS ARTICLE WHICH WERE DUE OR
23 FOUND TO BE DUE BEFORE THE DELINQUENCY DATE SHALL BE
24 SUBJECT TO AND SHALL PAY TWO (2) PERCENT CIVIL PENALTIES
25 ON THE SHORTFALL AMOUNT.

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(C) PENALTIES PROVIDED FOR UNDER SECTION 19-540 ARE NOT APPLICABLE.

(D) PENALTIES AND INTEREST IMPOSED BY THIS SECTION ARE DUE AND PAYABLE UPON NOTICE BY THE TAX COLLECTOR.

SEC. 19-1255. EXAMINATION OF BOOKS AND RECORDS; FAILURE TO PROVIDE RECORDS.

(A) THE TAX COLLECTOR AND THE PARTICIPATING HOSPITALS SHALL HAVE ALL THE RIGHTS AND OBLIGATIONS AS STATED IN SECTION 19-555.

(B) NOTHING IN THIS ORDINANCE MAY BE READ AS A WAIVER OF ANY RIGHTS THE TAX COLLECTOR MAY HAVE UNDER THE CODE OR BY CITY CHARTER WITH REGARDS TO THE ABILITY TO ENFORCE AND/OR COLLECT ALL MONIES OWED BY THE PARTICIPATING HOSPITALS EXCEPT WHERE EXPRESSLY STATED.

(C) ALL OTHER PROVISIONS IN THE CODE OR CITY CHARTER ARE APPLICABLE UNLESS EXPRESSLY STATED OTHERWISE.